Effect of FTAs and PTAs on Spices

971. SHRI A. VIJAYARAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether after Free Trade and Preferential Trade Agreements between India and neighbouring countries spices that are not grown and are more than production levels are landing in Indian market as produce of those nations;

(b) if so, the details of quantity of pepper, cardamom (small), clove, star anise and valuation of these spices imported under Open General Licence arrived in Indian ports from Nepal, Pakistan, Sri Lanka and Bangladesh between April, 2003 and July, 2005, category-wise and country-wise spices;

(c) the action taken to protect domestic market for spices; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir. There have been instances of small quantities of spices being imported from certain neighbouring countries which do not grow there such as pepper from Nepal (30.04 MT), cloves from Pakistan (24 MT), Bangladesh (150.1 MT). The import of cloves from Sri Lanka during 2003-04 (4508.3 MT) appeared to be marginally above the production reported in that country by FAO at 4100 MT.

(b) The category-wise, country-wise import of spices from Nepal, Pakistan, Sri Lanka and Bangladesh are as under:—

	2003-04		2004-05*		2005-06 (April-June)	
Spice/ Country	Qty. (MT)	Value (Rs. Lks)	Qty. (MT)	Value (Rs. Lks)	Qty. (MT)	Value (Rs. Lks)
1	2	3	4	5	6	7
PEPPER						
SRI LANKA	4915.8	3525.7	4865.1	4045.6	1343.27	942.61
PAKISTAN	-	-	-	-	-	-
NEPAL	29.7	12.3	-	-	-	-
BANGLADESH	-	-	-	-	-	-

1	2	3	4	5	6	7
Total (incl. Others)	14334.1	9923.3	17725.3	11603.9	5625.00	3300.24
CARDAMOM (Small)						
SRI LANKA	0.1	04.	-	-	-	-
PAKISTAN	-	-	-	-	-	-
NEPAL	-	-	-	-	-	-
BANGLADESH	-	-	-	-	-	-
Total (incl. Others)	59.4	136.8	290.0	338.0	200.0	210.31
CLOVE						
SRI LANKA	1660.7	2367.4	4508.3	8189.3	1090.55	1629.37
PAKISTAN	-	-	24.0	20.2	-	-
NEPAL	-	-	-	-	-	-
BANGLADESH	43.5	81.9	32.0	59.2	-	-
Total (incl. Others)	15677.7	13742.4	7900.0	11601.7	1700.00	2493.53
STAR ANISE						
SRI LANKA	5.0	11.0	-	-	-	-
PAKISTAN	-	-	-	-	-	-
NEPAL	-	-	-	-	-	-
BANGLADESH	-	-	-	-	-	-
Total (incl. Others)	2625.8	1604.3	1800.0	994.8	355.00	189.31

*Figures are Provisional

(c) and (d) In order to arrest the decline of prices of pepper and cardamom, the Government has discontinued duty free import of pepper for re-export purposes through advance license except for light pepper required by the oleoresin industry. Sale of processed pepper products in the DTA by 100% EOUs has been banned. Besides, Government has also developed schemes which would result in reducing the cost of cultivation and curing to the cardamom growers.